

CITY OF BISMARCK
POLICE PENSION FUND
State Investment Board
Balance Sheet
As of 10/31/2008

	As of <u>10-31-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 5,339,182	\$ 7,688,804
INTERNATIONAL EQUITIES	1,859,545	2,942,651
DOMESTIC FIXED INCOME	6,547,966	7,214,697
INTERNATIONAL FIXED INCOME	1,826,867	2,062,409
REAL ESTATE	2,136,605	2,232,500
ALTERNATIVE INVESTMENTS	692,898	734,527
INVESTED CASH (NOTE 1)	<u>405,841</u>	<u>97,628</u>
 TOTAL INVESTMENTS	 18,808,904	 22,973,216
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>26,233</u>	<u>44,180</u>
 TOTAL RECEIVABLES	 26,233	 44,180
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	218,574	378,078
 TOTAL ASSETS	 <u>\$ 19,053,711</u>	 <u>\$ 23,395,474</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	218,574	378,078
INVESTMENT EXPENSE PAYABLE	<u>30,963</u>	<u>30,905</u>
 TOTAL LIABILITIES	 249,537	 408,983
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	22,986,491	24,060,610
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(4,182,317)</u>	<u>(1,074,119)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>18,804,174</u>	 <u>22,986,491</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 19,053,711</u>	 <u>\$ 23,395,474</u>

**CITY OF BISMARCK
POLICE PENSION FUND
State Investment Board
Profit and Loss Statement
For the Month Ended 10/31/2008**

	Month Ended <u>10-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 32,819	\$ 164,962
SECURITIES LENDING INCOME	<u>673</u>	<u>2,900</u>
	33,492	167,862
 GAIN ON SALE OF INVESTMENTS	 295,781	 858,954
LOSS ON SALE OF INVESTMENTS	<u>785,686</u>	<u>1,342,477</u>
 NET GAINS (LOSSES) INVESTMENTS	 (489,905)	 (483,523)
 INVESTMENT EXPENSES	 8,184	 34,903
SECURITIES LENDING EXPENSES	423	2,135
 NET INVESTMENT INCOME	 (465,020)	 (352,699)
 NET APPREC (DEPREC) MARKET VALUE	 (2,005,267)	 (3,836,065)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(5,032)</u>	<u>6,447</u>
 TOTAL INVESTMENT INCOME	 <u>(2,475,319)</u>	 <u>(4,182,317)</u>
 NET INCREASE (DECREASE)	 <u>\$ (2,475,319)</u>	 <u>\$ (4,182,317)</u>

CITY OF BISMARCK
POLICE PENSION FUND
Notes To Financial Statements
October 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.